

Message Text

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ACTION ARA-14

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FM AMEMBASSY QUITO

TO SECSTATE WASHDC 7811

INFO AMEMBASSY BOGOTA

AMEMBASSY CARACAS

AMEMBASSY LA PAZ

AMEMBASSY LIMA

AMEMBASSY SANTIAGO

USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 1 OF 2 QUITO 2129

E.O. 11652: GDS

TAGS: PBOR, EC, PE, CO, CH

SUBJECT: CHIEF OF JOINT COMMAND DISCUSSES RELATIONS WITH PERU

REF: LIMA 2368

1. BEGIN SUMMARY: ON MARCH 29, EMBOFFS SPOKE AT LENGTH WITH ADMIRAL RENAN OLMEDO, CHIEF OF JOINT COMMAND, ABOUT HIS RECENT VISIT TO PERU AND REGIONAL POLITICO-MILITARY PROBLEMS IN GENERAL. OLMEDO SAID THAT HE WAS WELL TREATED IN PERU AND THAT THE VISIT ACHIEVED ITS SHORT-TERM OBJECTIVE OF HELPING TO RELAX TENSIONS FOLLOWING A DIFFICULT PERIOD IN THE BILATERAL RELATIONSHIP. HOWEVER, THE LONG-TERM PROBLEMS WITH PERU, INCLUDING THE BORDER DISPUTE, THE PERU ARMS BUILD-UP, AND SOVIET INFLUENCE REMAINED, AND HE PREDICTED THAT 1979 WOULD BE A DANGEROUS YEAR. OLMEDO WAS PESSIMISTIC ABOUT THE RESOLUTION OF THE BOLIVIAN-PERU-CHILE PROBLEM, NOT THE LEAST BECAUSE OF THE BOLIVIAN ATTITUDE. HE THOUGHT THAT ECUADOR WOULD BE PREPARED IN THE FUTURE TO ACCEPT THE RIO
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PROTOCOL IN EXCHANGE FOR ACCESS TO THE AMAZON BUT BELIEVED THAT THERE MIGHT BE PITFALLS. OLMEDO DID NOT THINK MUCH OF THE POSSIBILITIES OF IMPLEMENTING THE AYACUCHO DECLARATION ON ARMS CONTROL BECAUSE OF PERU'S HAVING USED IT AS A SMOKE SCHREEN FOR ITS ARMS BUILD-UP, BUT ACKNOWLEDGED THAT REGIONAL ARMS RACES WERE A PROBLEM THAT OUGHT TO BE DEALT WITH IN SOME WAY. HE DESCRIBED ECUADOR'S OWN ARMS PURCHASES

POLICIES AS BASED UPON CREATING A DISCOURAGING RISK/BENEFIT RATION FOR THE POTENTIAL AGGRESSOR AT THE LOWEST POSSIBLE COST. OLMEDO SAID THAT THE ARMY AND NAVY COMMANDERS WERE CONSTANTLY TALKING TO THEIR PERUVIAN COUNTERPARTS IN ORDER TO PREVENT TRIVIAL INCIDENTS FROM ESCALATING INTO CONFRONTATIONS. END SUMMARY.

2. CHARGE AND POLCOUNS CALLED ON VICE ADMIRAL RENAN OLMEDO, CHIEF (DELEGATED) OF JOINT COMMAND AND THE CHIEF OF NAVAL OPERATIONS, ON MARCH 29. DURING THE 1 1/2 HOUR CONVERSATION OLMEDO COMMENTED FREELY AND CANDIDLY UPON HIS RECENT VISIT TO PERU (MARCH 12-17) AND ON POLITICO-MILITARY AFFAIRS IN THE REGION GENERALLY.

3. OLMEDO SAID THAT THE OBJECTIVES OF HIS VISIT TO PERU WERE LIMITED AND TO THAT EXTENT IT WAS SUCCESSFUL. ALTHOUGH THE POSSIBILITY OF HIS VISIT HAD BEEN IN THE AIR FOR THE LAST 18 MONTHS, IT HAD CRYSTALLIZED ONLY RECENTLY WHEN ESCALATING TENSIONS BETWEEN THE TWO COUNTRIES SEEMED TO DEMAND SOME SORT OF PROTOCOLARY GESTURE TO PROVIDE A BREATHING SPELL. THE ORIGINAL DATE OF THE VISIT HAD TO BE SET BACK A FEW DAYS BECAUSE OF THE OVERHEATED ATMOSPHERE FOLLOWING ECUADOREAN FONMIN AYALA'S FEBRUARY 9 REMARKS AT INCRAE IN RESPONSE TO PUBLIC STATEMENTS ON THE BORDER BY PERUVIAN FONMIN DE LA PUENTE AND PERU'S FIERCE REACTION, BUT THE TRIP, COMBINED
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WITH THE PORT CALL OF THE ECUADOREAN TRAINING SHIP GUAYAS, ACHIEVED ITS END IN RELAXING TENSIONS.

4. OLMEDO RELATED THAT HE HAD BEEN TREATED COURTEOUSLY AND AT TIMES WARMLY IN ALL OF HIS OFFICIAL CALLS DURING HIS STAY. HOWEVER, THE VISIT WAS NOT DESIGNED FOR SUBSTANCE AND HE HAD VERY LITTLE TIME FOR CONFIDENTIAL AND SERIOUS CONVERSATIONS. ALTHOUGH HE EXCHANGED MANY RANDOM IMPRESSIONS WITH VADM ADMIRAL PARODI GALLIANI, COMMANDER OF THE PERUVIAN NAVY, HE ONLY TOUCHED SUBSTANCE AT OTHER TIMES WITH PRESIDENT MORALES BERMUDEZ AND WITH CHIEF OF NAVAL STAFF JORGE VILAPAZOS. WITH PRESIDENT MORALES-BERMUDEZ, HE CONVEYED ADMIRAL POVEDA'S PERSONAL MESSAGE, REMINDING MORALES BERMUDEZ OF THE BASIS OF THE TALKS THE TWO HAD HELD IN WASHINGTON AND REAFFIRMING ECUADOR'S DECISION TO PROCEED TOWARD A SOLUTION OF THEIR DIFFERENCES ON THIS BASIS. (THE "BASIS" ALLUDED TO, ACCORDING TO OLMEDO, WAS THE ACCOMODATION OF ECUADOR'S DESIRE FOR SOVEREIGN ACCESS TO THE AMAZON-MARANON). MORALES BERMUDEZ REPLIED THAT HE RECALLED PERFECTLY THE BASIS AND BLANDLY REASSURED OLMEDO THAT PERU ALSO SOUGHT TO RESOLVE OUTSTANDING PROBLEMS. WITH VILAPASOS, HE DISCUSSED THE IMPLEMENTATION

OF THE FRONTIER TROOP DISENGAGEMENT ACCORD REACHED IN JANUARY.

5. OLMEDO SAID THAT HE WAS IMPRESSED WITH THE AMICABLE ATTITUDE OF THE PERUVIAN NAVY TOWARD ECUADOR. HOWEVER, HE OBSERVED THAT THE AIR FORCE AND ARMY SEEMED COOLER. HE VENTURED THAT THE ARMY WAS PROBABLY DIVIDED FURTHER INTO AGGRESSIVE AND CAUTIOUS FACTIONS, WHICH SEEM TO KEEP THE PERUVIAN FOREIGN MINISTRY OFF BALANCE. IN THIS CONNECTION, HE CITED A BRIEF CONVERSATION WITH AN UNNAMED FONOFF OFFICIAL WHO (OLMEDO CLAIMED) EXPRESSED HIS DEEP CONCERN ABOUT THE RECENT TENSIONS AND SAID THAT FOREIGN MINISTER DE LA PUENTE'S REACTION TO FONMIN AYALA'S INCRAE SPEECH HAD TAKEN THE FONOFF BY CONFIDENTIAL

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COMPLETE SURPRISE, HINTING THAT THE "ULTRA" ARMY FACTION HAD PRESSED IT ON DE LA PUENTE.

6. ALTHOUGHT THE VISIT SERVED ITS SHORT-TERM PURPOSE, OLMEDO EXPRESSED HIS OPINION THAT THE POTENTIAL FOR CONFLICT REMAINED AND TENSIONS WOULD RISE IN 1979 UNLESS THE UNDERLYING PROBLEMS WERE ADDRESSED. HE SAID THAT THESE FACTORS INCLUDED THE LACK OF DEMARKATION OF THE REMAINING 76 KILOMETERS OF BORDER, PERU'S ARMS SUPERIORITY, THE BOLIVIAN CORRIDOR PROBLEM, AND SOVIET INFLUENCE IN PERU. HE ALSO POINTED TO THE ARGENTINE-CHILE BEAGLE CHANNEL DISPUTE AS HAVING AN IMPORTANT INFLUENCE ON ECUADOR-PERU PROBLEMS, STRONGLY SUGGESTING THAT WHAT HE TERMED PERU'S CHANGE IN ATTITUDE TOWARD ECUADOR HAD MUCH TO DO WITH THE RELAXATION OF PRESSURES ON PERU'S SOUTHERN FRONTIER.

7. ON THE BASIS OF HIS VISIT, OLMEDO WAS PESSIMISTIC ABOUT THE POSSIBILITIES OF RESOLVING THE BOLIVIA-PERU-CHILE PROBLEM. HE PREDICTED FLATLY THAT BOLIVIA WOULD NEVER ACHIEVE ITS GOAL OF ACCESS TO THE SEA. HE ATTRIBUTED THIS TO A NUMBER OF FACTORS, NOT THE LEAST BEING WHAT HE DESCRIBED AS A CERTAIN UNREAL STRAIN IN THE BOLIVIAN NATIONAL CHARACTER. RECALLING AN ENCOUNTER WITH THE BOLIVIAN NAVAL ATTACHE AT A RECEPTION A FEW HOURS AFTER BOLIVIA HAD BROKEN RELATIONS WITH CHILE, HE SAID THAT BOTH HE AND PARODI WERE DUMBLOUNDED WHEN THE ATTACHE BEMOANED THAT THE RUPTURE HAD OCCURRED "JUST WHEN THE ARMED FORCES WERE PREPARED FOR A PACIFIC MARCH TO THE SEA." PARODI, HE SAID, LATER COMMENTED THAT PERU COULD HARDLY RELY ON SUCH PEOPLE IF PUSH CAME TO SHOVE AGAINST CHILE. (COMMENT: WE DO NOT RECOGNIZE THE RATHER BIZARRE REFERENCE TO THE PACIFIC MARCH ATTRIBUTED TO THE ATTACHE. IT DOES NOT CONFIDENTIAL

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ESCAPE US THAT OLMEDO'S AND PARODI'S JUDGEMENT CONCERNING
THE FLAKINESS OF THE BOLIVIANS ON THE TERRITORIAL QUESTION
HAS FREQUENTLY BEEN APPLIED BY OTHERS TO ECUADOR, AS WELL.)

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USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 2 OF 2 QUITO 2129

8. QUESTIONED ABOUT THE EXTENT OF INTERNAL
ECUADOREAN SUPPORT FOR A SOLUTION TO THE PERU BORDER
PROBLEM BASED UPON RECOGNITION OF THE RIO PROTOCOL IN
RETURN FOR TERRITORIAL ACCESS TO THE AMAZON, OLMEDO
REPLIED THAT IT WAS NOW SOLID IN THE MILITARY AND THE
FOREIGN MINISTRY. HOWEVER, ANY PRESIDENT, CIVILIAN OR
MILITARY, WOULD HAVE TO CONDITION THE COUNTRY TO
A COMPROMISE FIRST IF HE DID NOT WISH TO SEE IT BLOW UP
IN HIS FACE. POLCOUNS OBSERVED THAT HE HAD DISCUSSED THE
MATTER WITH ABOUT EVERY NATIONAL POLITICAL LEADER AND HAD
FOUND LITTLE, IF ANY, JINGOISTIC SENTIMENT, AND HE WONDERED
WHERE THE OPPOSITION WOULD COME FROM. OLMEDO RESPONDED
THAT THE PROBLEM LAY WITH A NUMBER OF RESPECTED EX-DIPLO-
MATS, AND INTERNATIONAL LAW SCHOLARS AND WRITERS WHO CON-
SIDERED THEMSELVES JURIDICAL WATCHDOGS OF ECUADOREAN
SOVEREIGNTY. THESE PEOPLE COULD EASILY STIR UP A SUPER-

PATRIOTIC FERVOR WHICH MIGHT ENGULF THE CIVILIAN POLITICIANS,
WHO, HE DECLARED, DO NOT HAVE SUFFICIENT IMMERSION IN THE
PROBLEM TO HOLD MORE THAN SUPERFICIAL OPINIONS AT THE
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MOMENT. HE SAID THAT GOE HAD CURRENTLY EMBARKED UPON A
BRIEFING PROGRAM ON THE PERU PROBLEM WITH THE PRESIDENTIAL
CANDIDATES IN AN ATTEMPT TO EDUCATE THEM. HE ALSO CLAIMED
THAT ALL HAD AGREED NOT TO ATTEMPT TO EXPLOIT THE ISSUE
DURING THE CAMPAIGN.

9. AS LONG AS THE BORDER PROBLEM REMAINS, THE POTENTIAL
FOR CONFLICT WITH PERU WILL BE PRESENT, CONTINUED OLMEDO.
IF PERU WENT TO WAR WITH CHILE, IT WOULD HAVE TO TRY TO
SECURE ITS NORTHERN FRONTIER. AND IF IT DID THAT, THE
ECUADOREAN OIL FIELDS JUST OVER THE BORDER, WOULD BE A
TEMPTING OBJECTIVE.

10. CHARGE NOTED THAT THERE WAS A CONTINUING INTEREST IN
USG IN THE IMPLEMENTATION OF THE AYACUCHO DECLARATION OR
IN THE ESTABLISHMENT OF SOME OTHER MECHANISM TO DEAL WITH
THE PROBLEM OF ARMS RACES IN LATIN AMERICA. OLMEDO COULD
SCARCELY CONCEAL HIS DISDAIN AT THE MENTION OF THE AYACUCHO
DECLARATION, DISMISSING IT AS A NOBLE IDEA WHICH WAS
EXPLOITED BY PERU FOR ITS OWN DEVICES. NOTHING COULD BE
FARTHER APART THAN PERU'S PUBLIC AND PRIVATE CONCERNS
ABOUT ARMS PURCHASES AND ITS ACTUAL ARMS BUILD-UP. AS A
RESULT, HER NEIGHBORS HAD BECOME MORE CAUTIOUS THAN EVER,
ABOUT ARMS CONTROL TALKS IN FEAR THAT THEY WOULD ONCE AGAIN
BE ENVELOPED IN A PERUVIAN SMOKESCREEN.

1. AT THE SAME TIME, OLMEDO ACKNOWLEDGED THAT AN
ARMS PROBLEM EXISTS WHICH OUGHT TO BE DEALT WITH IN SOME
WAY. HE REVEALED THAT EVEN COLOMBIA, WITH WHICH ECUADOR
HAD ABSOLUTELY NO DISPUTE AND AGAINST WHOSE BORDER HAS
STATIONED LESS THAN 100 TROOPS, WAS GETTING NERVOUS ABOUT
ECUADOR'S ARMS PURCHASE PLANS. OLMEDO CHARACTERIZED THESE
PLANS AS PURCHASING THE MINIMUM NECESSARY IN ORDER TO
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PRODUCE A DISCOURAGING RISK/BENEFIT RATION FOR A
POTENTIAL AGGRESSOR. HE SAID THAT ECUADOR HAD NEITHER
THE MANPOWER NOR THE MONEY TO MATCH PERU ONE-TO-ONE AND
WOULD NOT ATTEMPT TO DO SO. INSTEAD, WHERE PERU HAS DE-
PLOYED FRIGATES, ECUADOR WOULD USE ANTI-TANK WEAPONS;
AND WHERE PERU HAD FIGHTER-BOMBERS, ECUADOR WOULD RELY

ON AIR DEFENSE SYSTEMS. THE ADVANCES IN WEAPONS TECHNOLOGY AND SOPHISTICATION, HE SAID, WOULD ENABLE ECUADOR TO CONSTRUCT A RESPECTABLE DEFENSE WITHOUT GREAT EXPENDITURES IN MONEY AND MANPOWER.

12. WHILE ECUADOR ULTIMATELY HAS TO TO RELY UPON ITS MILITARY DEFENSES, IT IS ALSO TAKING ALL MEASURES TO RELAX TENSIONS AND HEAD-OFF POTENTIAL CONFRONTATIONS, SAID OLMEDO. AS AN EXAMPLE, HE NOTED THE FACT THAT BOTH HE AND ARMY CHIEF OF STAFF GENERAL RAUL CABRERA HAD ESTABLISHED GOOD PERSONAL RELATIONSHIPS WITH THEIR PERUVIAN COUNTERPARTS AND WERE ROUTINELY TALKING TO THEM ON THE PHONE ON AN ALMOST DAILY BASIS. INDEED, OLMEDO SAID, HE HAD JUST TALKED TO ADMIRAL PARODI THAT DAY ABOUT THE BEHAVIOR OF A PERU NAVY CREW ABOARD A TRANSPORT SHIP CALLING AT ESMERALDAS WHICH COULD HAVE LED TO ANOTHER INTERNATIONAL PROBLEM HAD THE MATTER NOT BEEN QUIETLY DEALT WITH BEHIND THE SCENES.
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